GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Infrastructure & Investment Department – Development of Bhavanapadu Port, Srikakulam District – Approval of DPR and Administrative Sanction for development of Bhavanapadu Port – Orders – Issued.

INFRASTRUCTURE & INVESTMENTS (PORTS-I) DEPARTMENT

G.O.MS.No. 6 Dated: 25-08-2020.

Read the following:

From the Chief Executive Officer, APMB Lr.No.SE/PP2/3278/2011, dated 07-08-2020.

ORDER:

The coast line of Andhra Pradesh is 974 KMs, the 2nd longest in the country and is studded with (16) non-major ports (one Major Port at Visakhapatnam) of the above, the following (4) non-major ports are developed.

(1) Kakinada Deep Water Port & Anchorage Port;
(2) Ravva Port captive port;
(3) Krishnapatnam Port; and
(4) Gangavaram Port.

2. Earlier to the development of these ports, only Kakinada Anchorage Port was handling about 2 million tons per annum prior to 2000-01 and after the development of the above ports, the present handling capacity of all the above ports put together is about 100.00 Million Tons per annum.

3. Visakhapatnam–Chennai Industrial Corridor (VCIC) has been declared which is a key part of the East Coast Economic Corridor (ECEC), India's first coastal corridor. The corridor traverses nine districts of the state of Andhra Pradesh. VCIC intends to complement the on going efforts of the Government of Andhra Pradesh (GoAP) to enhance industrial growth. VCIC supports Government of India (GOI)'s strategy to develop industrial corridors of international standards for expanding its manufacturing and services sectors, and creating modern urban centers connected by state-of-the-art infrastructure. GOI has selected the Asian Development Bank (ADB) as the lead partner for developing the ECEC, which will run from Kolkata to Kanyakumari, encompassing the four states of Andhra Pradesh, Tamil Nadu, Odisha, and West Bengal. Due to its vast scope, ECEC is being implemented in a phased manner, with VCIC as the first phase.

4. In this scenario, Government of Andhra Pradesh is keen in developing the following four non-major ports now to cater to the increasing demand of various types of bulk and container cargo etc., which may likely to raise to 300-350 Million tons per annum by 2024-25:

(1) Bhavanapadu Port in Srikakulam District;
(2) Kakinada SEZ Port in East Godavari;
(3) Machilipatnam Port in Krishna District; and
(4) Ramayapatnam Port in Prakasham District.

P.T.O.,

5. Kakinada SEZ Port has been awarded to GMR SEZ Gateway Pvt. Ltd. M/s. RITES, consultants, were engaged for preparation of Detailed Project Reports (DPRs) for the development of Bhavanapadu Port in Srikakulam District and Ramayampatanm Port in Prakasham District. The DPR prepared for the development of Ramayapatnam Port has been approved and administrative sanction has been accorded to take up development on Land Lord concept – vide G.O.Ms.No.2, I&I (Ports) Dated 15-6-2020.

6. M/s. RITES have also submitted the draft DPR in connection with the development of Greenfield Port at Bhavanapadu in Srikakulam District. M/s. TATA Consulting Engineers were selected for rendering Project Management Consultancy Services for development of Bhavanapadu Port have furnished the remarks on the draft DPR furnished by M/s. TATA Consulting Engineers have been referred to M/s. RITES. M/s. RITES have furnished the DPR for development of Bhavanapadu Port duly addressing the remarks on the draft DPR in their letter dated 06.08.2020.

7. The Chief Executive Officer, APMB has reported that the total project is envisaged to be developed in phases under Land Lord Model. Initially it is proposed to take up Phase-I development, comprising of development of 3 General Cargo + 1 Bulk Cargo berths, by creating the required infrastructure in 500 acres with completion period of 36 months. He requested the Government to approve the DPR prepared by M/s. RITES and also accord administrative sanction to take up Phase-I of the Project works with a total estimated cost of Rs.3669.95 including the cost of land Rs.261.00 crores forAc.500.00 by providing State support to an extent of Rs.261.00 crores towards the land acquisition with permission to raise debt of Rs.2123.00 crores with appropriate support of the State Government and to utilise certain portion of its revenue as equity and escrow in future for debt funding/servicing as per A.P. Maritime Board Act, 2019.

8. Government after careful examination of the matter hereby approve the DPR prepared by M/s. RITES towards development of Bhavanapadu Non-Major Port in Srikakulam District under Land Lord model through Bhavanapadu Port Development Corporation Limited (BPDCL) under the overall supervision of Andhra Pradesh Maritime Board and hereby accord administrative sanction to take up Phase-1 works with total project cost of Rs.3669.95 crores with completion period of 36 months. The State Government would provide an amount of Rs.261.00 crores towards the land acquisition cost of ac.500.00 required for phase-I development.

8. Government hereby permitted the Andhra Pradesh Maritime Board to raise debt of not exceeding Rs.2123.00 crores with appropriate support of the State Government. The APMB is also hereby allowed to utilize certain portion of its revenue as equity and escrow in future for debt funding to the project as per the AP Maritime Board Act, 2019.

9. The Chief Executive Officer, A.P. Maritime Board, Kakinada shall take necessary action accordingly.

10. This order issues with the concurrence of Finance Department, vide their U.O.No.FMU0PC(IIE)/3/2020-FMU-IIEIC, dated 18.08.2020

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Chief Executive Officer, Andhra Pradesh Maritime Board, Kakinada
The Managing Director, Bhavanapadu Port Development Corporation Limited (RPDCL)
The District Collector,Srikakuam District.
The Special Officer, Bhavanapadu Port.
The Prl.Accountant General (Audit.I) A.P.,Vijayawada
The Director of Treasuries & Accounts,Vijayawada
The Director, Works & Accounts, AP
The District Treasury Officer, SrikakulamDistrict.
Copy to:
The Secretary, Government of India, Ministry of Shipping, New Delhi.
The OSD to Principle Adviser to Hon'ble CM
The OSD to Hon'ble Minister(I&I) Dept.
The Finance (FMU-ENERGY&I&I) Dept.
The GA(Cabinet) Dept., Secretariat, AP., Velagapudi
The PS to Special Chief Secretary to Govt.I&I Dept.

//FORWARDED :: BY ORDER//

SECTION OFFICER